

Pact Reached to Sell Boston Herald Traveler to Hearst Chain for \$8.5-Million

By BILL KOVACH

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BOSTON, May 17—An agreement in principle for the sale of The Boston Herald Traveler, for decades the voice of Boston's Republican establishment, to the Hearst newspaper chain was reached here today.

Although the principals involved refused comment, it was understood the Herald management had reached agreement with Hearst publications for sale of the newspaper for \$8.5-million.

The agreement, which means the death of the 125-year-old Herald and the conversion of the Boston Hearst tabloid newspaper, The Record American, to a full-size daily, is subject to approval of the Herald board of directors and stockholders.

However, one stockholder said today that that appeared to be no problem since the majority of the stockholders had pushed for sale, since the corporation lost its license to operate a television station here that had subsidized the paper for years.

According to sources involved in the meeting between newspaper officers and union officials at which the agreement was announced, The Herald has assured its 1,000 employees that their contractual claims to severance pay and accumulated vacation time will be honored. Termination date for the Herald publications, according to the Hearst offer, would be on June 4.

The announcement was made late this afternoon to City Room employees, who were asked by management not to disclose any details. Some 50 employees crowded around Robert G. Bruner, representative of The Boston Newspaper Guild as he told them of the details of the sale they had been expected for months.

The officers, Mr. Bruner said, "believe, at this time, that the agreement will be consummated and signed," though all the details have not been worked out. The board will consider the offer tomorrow.

Loss of TV License

Stockholders will be called to a meeting in early June for final action. The Hearst offer of \$8.5-million cash includes an offer for the newspaper's name, good will, physical assets in its distribution company. It is not known if the Herald name will

be incorporated into the proposed Hearst publication.

Neither could it be determined today if the Hearst corporation intends to hire any of

the present Herald personnel. None of the principals to the agreement was available for any comment on the matter today.

Word of the pending sale came as no surprise to employees since the Herald's publisher, Harold E. Clancy, had, in effect, announced the death of the newspaper when the television license was lost.

Although the final folding of the paper was delayed, the end was signaled March 19 when the Federal Communications Commission took away the corporation's financial base by stopping it of its license to operate its television outlet WHDH-TV.

The order was based in part on F.C.C. policy that ownership of news media should be diversified.

To many critics and readers of The Herald Traveler the news that the loss of the television license might mean the collapse of the paper was seen as the end of a downward slide that had begun with the acquisition of the station in 1947.

From the nineteen-thirties until the nineteen-sixties The Herald was the pre-eminent newspaper in the region.

"It was the one all the bankers, brokers and Boston Nobs read," recalled a long-time observer of the paper. "It was the Republican establishment's voice. If it didn't appear in The Herald Traveler, it hadn't happened for many people."

Shift in Attention

With the acquisition of the television license, however, management turned more and more attention to that income-producing media, and the newspaper became secondary to their interest.

All this occurred as The Boston Globe, under the leadership of Thomas Winship, was moving aggressively to compete. As The Globe increased in circulation and influence, The Herald declined.

A major blow to the newspaper's prestige came in 1966 when, in the heat of a political campaign, the newspaper blasted Elliot L. Richardson (now United States Secretary of Health, Education and Welfare

and always a representative of the Boston Republican establishment) in a vicious page one editorial.

"The telephone calls canceling subscriptions from our old, traditional readers came in so heavy," said one Herald employee, "that we had to hire extra girls for several days to handle the cancellations."

During this time, too, the management of the paper was involved in what was to be a 25-year-battle to retain the television license. This not only distracted attention from the newspaper but also became a constant financial drain.

By the time of the final disposition of the case this year, the WHDH-TV legal struggle had become the longest in the history of the F.C.C.

One member of the law firm representing The Herald in Washington began the case when his son was in the cradle and, by his year, that same son

was assisting at the defense of the license.

The concern over the lucrative television license drained the resources of a newspaper that was conceded to be the best in New England on its 100th anniversary in 1946.

Except for The Globe, The Record American is the only other local daily paper in Boston (which as recently as 1940 had nine daily papers), and its facilities are housed in an aging, inefficient plant in the heart of the city. The Herald plant, one of the most modern in the region was built in 1957.

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